

**CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION**

Agenda Item Number: _____

Meeting Date: May 14, 2013

Attachments: ☒ Yes ☐ No

CITY COUNCIL ACTION

Date: May 20, 2013

☐ Approved ☐ Denied
☐ Amended ☐ Tabled
☐ Other

Originating Department: City Clerk-Treasurer

Agenda Item: Consideration to Establish an On-Sale Brewer Taproom License Category

Recommended Action: Direct the City Attorney to draft a new Ordinance to amend City Code Chapter 3 to establish an on-sale brewer taproom liquor license category.

Background/Summary:

The City has received a request to create a new category of liquor licenses to accommodate the unique retailing venue of breweries/brew pubs in the city. This new category is requested following the Minnesota Statutes that were created in 2011.

The Minnesota Legislature established a new law that allows municipalities to create a special on-sale category for breweries/brew pubs called a taproom license which would allow them to sell their products for consumption on the premises. (No person may directly or indirectly manufacture or sell at wholesale intoxicating liquor, or 3.2 percent malt liquor without obtaining an appropriate license from the Commissioner of the Liquor Control Division). The authority to establish this license category can be found in MN State Statute 340A.301, sub. 6b. A copy of the applicable Statute is included.

However, under current City Code, the City restricts on-sale intoxicating liquor licenses to hotels and restaurants. Therefore, in order to obtain an on-sale license under the current code, a license would need to have a significant percentage of their gross sales derived from food. This is in contrast to the business model a taproom / brewer would be seeking. They simply want to have the ability for patrons to consume their on-premise brewed product.

The City Council is asked to consider whether there is support to create a special category of on-sale brewery taproom license; a category that would exempt them from the food requirement. It should be noted that the concept behind having a food requirement in conjunction with an on-sale liquor license is to avoid the types of establishments that are considered and/or marketed as, a 'bar' or 'nightclub'. The distinction being made is that Willmar does NOT have bars, but rather we have restaurants that serve alcohol to complement the meal. Granting a "taproom" request would arguably blur this distinction.

If the Council is generally agreeable to creating this new on-sale liquor license category, then it would be appropriate to have the City Attorney draft an Ordinance and hold a public hearing to amend the City Code.

As noted above, the authority to establish an on-sale brewer taproom license can be found in MN Statute 340A.301, subd. 6b. If established, this category will for the first time, allow for the consumption of alcohol on the premises without an accompanying food sales requirement.

The Council may also want to discuss other considerations such as hours of operation when deciding whether to create this new on-sale license category. This would ensure that the on-sale component would merely compliment a "taproom" primary focus. The State approved "Brewers" license would allow sales for consumption off premise.

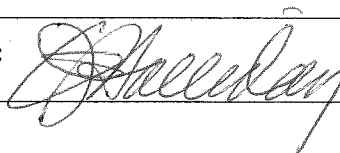
The Council could place other restrictions as well such as no bands or other musical performances to avoid any potential 'night club' atmosphere.

Alternatives: Deny

Financial Considerations: Not Applicable

Preparer: City Clerk-Treasurer

Signature:

A handwritten signature in cursive script, appearing to read "J. H. Hadden", written in black ink.

Comments:

340A.301 Subd. 6b. **Brewer taproom license.**

(a) A municipality may issue the holder of a brewer's license under subdivision 6, clause (c), (i), or (j), a brewer taproom license. A brewer taproom license authorizes on-sale of malt liquor produced by the brewer for consumption on the premises of or adjacent to one brewery location owned by the brewer. Nothing in this subdivision precludes the holder of a brewer taproom license from also holding a license to operate a restaurant at the brewery. Section 340A.409 shall apply to a license issued under this subdivision. All provisions of this chapter that apply to a retail liquor license shall apply to a license issued under this subdivision unless the provision is explicitly inconsistent with this subdivision.

(b) A brewer may only have one taproom license under this subdivision, and may not have an ownership interest in a brewery licensed under subdivision 6, clause (d).

(c) A municipality may not issue a brewer taproom license to a brewer if the brewer seeking the license, or any person having an economic interest in the brewer seeking the license or exercising control over the brewer seeking the license, is a brewer that brews more than 250,000 barrels of malt liquor annually or a winery that produces more than 250,000 gallons of wine annually.

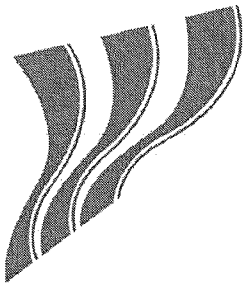
(d) The municipality shall impose a licensing fee on a brewer holding a brewer taproom license under this subdivision, subject to limitations applicable to license fees under section 340A.408, subdivision 2, paragraph (a).

(e) A municipality shall, within ten days of the issuance of a license under this subdivision, inform the commissioner of the licensee's name and address and trade name, and the effective date and expiration date of the license. The municipality shall also inform the commissioner of a license transfer, cancellation, suspension, or revocation during the license period.

340A.301 Subd. 6. **Fees.**

The annual fees for licenses under this section are as follows:

- | | |
|--|----------|
| (c) Brewers who manufacture more than 3,500 barrels of malt liquor in a year | \$ 4,000 |
| (d) Brewers who also hold one or more retail on-sale licenses and who manufacture fewer than 3,500 barrels of malt liquor in a year, at any one licensed premises, the entire production of which is solely for consumption on tap on any licensed premises owned by the brewer, or for off-sale from those licensed premises as permitted in subdivision 7. A brewer licensed under this clause must obtain a separate license for each licensed premises where the brewer brews malt liquor. A brewer licensed under this clause may not be licensed as an importer under this chapter | \$ 500 |
| (i) Brewers who manufacture fewer than 2,000 barrels of malt liquor in a year | \$ 150 |
| (j) Brewers who manufacture 2,000 to 3,500 barrels of malt liquor in a year | \$ 500 |



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Originating Department: Engineering

Agenda Item: Western Interceptor Sewer – Change Order #1

Recommended Action:

Approve Change Order #1 to the Western Interceptor Sewer Contract.

Background/Summary:

Council authorized Donohue & Associates to complete the design and contract amendment documents for the construction of the Airports LS Sewer 03/04/13. Documents have been completed and Change Order #1 is an amendment to the Western Interceptor Sewer Contract to incorporate the construction of the Airport LS Sewer into the contract.

Alternatives:

Do not complete the construction of the Airport LS Sewer and decommissioning of the Lift Station.

Financial Considerations:

Change Order #1 will result in an increase to the Western Interceptor Sewer Contract of \$238,251.25.

Preparer: Joshua Halvorson, PE

Signature:

Comments:

CHANGE ORDER NO. 1

CHANGE ORDER
DATE OF ISSUANCE

May 08, 2013

COMMENCEMENT OF
CONTRACT TIME

November 12, 2012

OWNER City of Willmar

CONTRACTOR Geislinger & Sons, Inc.

PROJECT Western Interceptor Sewer

CONTRACT NO. 1110

ENGINEER Donohue & Associates, Inc.

YOU ARE DIRECTED TO MAKE THE FOLLOWING CHANGES IN THE CONTRACT DOCUMENTS:

DESCRIPTION:

Amend the original Western Interceptor Sewer Contract to include the construction of the Airport LS Sewer by adjusting the contract quantities and pricing in the construction contract per the attachments.

REASON FOR CHANGE ORDER:

The Contractor has accepted the additional work to perform the Airport LS Sewer proposed by the Owner.

ATTACHMENTS: The following will be made part of the Contract – Construction Plan Sheet No.'s 54 – 60, Change Order #1 Quantity, Price, & Contract Adjustment dated 05/08/13 prepared by Donohue & Associates.

CHANGE IN CONTRACT PRICE
Original Contract Price:
\$ <u>3,069,585.25</u>
Net increase (decrease) from previous Change Orders:
\$ <u>0.00</u>
Net increase (decrease) of this Change Order:
\$ <u>238,251.25</u>
Revised Contract Price:
\$ <u>3,307,836.50</u>

CHANGE IN CONTRACT TIMES
Original Contract Times: <i>(days or dates)</i>
Substantial Completion: <u>September 1, 2013</u>
Ready for Final Payment: <u>November 1, 2013</u>
Net increase (decrease) from previous Change Orders: <i>(days)</i>
Substantial Completion: <u>No Change</u>
Ready for Final Payment: <u>No Change</u>
Net increase (decrease) of this Change Order: <i>(days)</i>
Substantial Completion: <u>30</u>
Ready for Final Payment: <u>30</u>
Revised Contract Times: <i>(days or dates)</i>
Substantial Completion: <u>October 1, 2013</u>
Ready for Final Payment: <u>December 1, 2013</u>

CONTRACTOR agrees that this Change Order includes any and all costs associated with or resulting from the change ordered herein, including all impacts, delays, and accelerated costs. Other than the dollar amount and time allowance listed above, there shall be no other dollar or time compensation as a result of this Change Order.

THIS DOCUMENT SHALL BECOME AN AMENDMENT TO THE CONTRACT AND ALL
STIPULATIONS AND COVENANTS OF THE CONTRACT SHALL APPLY HERETO.

RECOMMENDED:

APPROVED:

ACCEPTED:

By: _____
ENGINEER *(signature)*

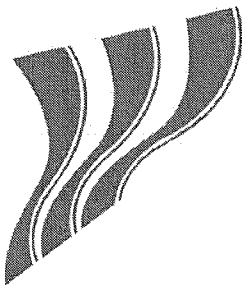
By: _____
OWNER *(signature)*

By: _____
CONTRACTOR *(signature)*

Date: _____

Date: _____

Date: _____



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Originating Department: Engineering

Agenda Item: CRS Amendment #2 to Donohue Contract

Recommended Action:

Approve an amended agreement for professional services to perform the construction related services on the airport lift station sewer change order of the Western Interceptor Project.

Background/Summary:

With approval of the Western Interceptor Sewer change order #1, construction services are needed to complete the project. The City currently holds a CRS contract with Donohue & Associates for the Western Interceptor Sewer. Approval of the amendment will provide these services and continuity for the completion of the additional work on the project.

Alternatives:

Financial Considerations:

Approval of contract amendment results in a \$23,620 increase (attached) in professional design services for Donohue & Associates paid thru the local option sales tax (LOST) fund.

Preparer: Bruce Peterson

Signature:

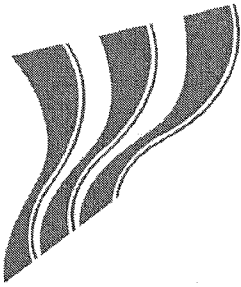
Comments:

DONOHUE CRS FEE ESTIMATE

Prepared By:
Client:
Date:

JJH
City of Willmar
05/08/13

WESTERN INTERCEPTOR CRS AMENDMENT #2 - AIRPORT LS CRS SERVICES		
Hourly Charge-Out Schedule (\$/hr.)		
90		
Joshua Halvorson		
Engineer II		
SCOPE OF WORK		
Task	Hour	Total
6. Airport LS CRS Services		
6.1 Construction Services		
Mangagement & Administration	8	\$ 720
Site Observation, Meetings, Tests, Inspections	160	\$ 14,400
CCR, RFI, FO, CO, WO	3	\$ 270
Submittals & Substitutes	7	\$ 630
Applications for Payment	8	\$ 720
Record Drawings	12	\$ 1,080
Expenses		\$ 950
Totals	198	\$ 18,770
Hourly Charge-Out Schedule (\$/hr.)		
115		
6.2 Program Management		
Mangagement & Administration	2	\$ 230
Asset Management	6	\$ 690
Meetings	4	\$ 460
File Management	8	\$ 920
Expenses		\$ 200
Totals	20	\$ 2,500
6.3 Project Closeout		
Mangagement & Meetings	8	\$ 920
Bonds, Warranties, Insurance, Material Cert., Lien Waivers	8	\$ 920
Punch Lists	4	\$ 460
Expenses		\$ 50
Totals	20	\$ 2,350
AMENDMENT #2 - AIRPORT LS CRS SERVICES TOTAL		
	238	\$ 23,620



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Originating Department: Planning & Development Services

Agenda Item: Consideration of Request for Municipal Water Service by Arnold's of Willmar

Recommended Action: Discuss relative to City policy.

Background/Summary: Arnold's of Willmar, located south of the City on Highway 71, has requested municipal water service for their fire sprinkler system. City policy restricts municipal water to properties within City limits.

Alternatives: 1. Disallow, consistent with policy.
2. Allow, as an exception to the policy.

Financial Considerations: All costs would be paid by Arnold's.

Preparer: Bruce D. Peterson

Signature:

Comments:

ARNOLD'S OF KIMBALL, INC.
701 STATE HWY 55 EAST
PO BOX 388
KIMBALL, MN 55353
TEL: (320) 398-3800
Fax: (320) 398-6900

ARNOLD'S OF WILLMAR, INC.
4773 HWY 71 SOUTH
WILLMAR, MN 56201
TEL: (320) 235-4898
FAX: (320) 235-2755

ARNOLD'S OF GLENCOE, INC.
655 LINDBERGH TRAIL
GLENCOE, MN 55336
TEL: (320) 864-5531
FAX: (320) 864-5533

ARNOLD'S OF ST. MARTIN, INC.
374 INDUSTRIAL DRIVE
PO BOX 304
ST. MARTIN, MN 56376
TEL: (320) 548-3285
FAX: (320) 548-3346

ARNOLD'S OF MANKATO, INC.
1715 HOWARD DRIVE
NO. MANKATO, MN 56003
TEL: (507) 387-5515
FAX: (507) 387-6449

ARNOLD'S OF ALDEN, INC.
110 NORTH STAR ROAD
ALDEN, MN 56009
TEL: (507) 874-3400
FAX: (507) 874-3434

Bruce Peterson, AICP
City Office Building
333 SW 6th Street
Willmar, Minn. 56301

Dear Mr. Peterson,

We want to thank you for the opportunity to discuss our proposed project. This summer the planning phase for a new building structure at our current location will be under way. Our business location borders the city of Willmar on Hwy 71. If possible, we would like to share our plans and a project obstacle at your May 14 city planning meeting.

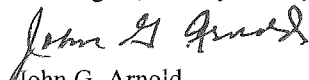
In order to efficiently grow our company and increase our employee base, we need to expand the implement repair portion of our facilities. With the demand for larger equipment by farm producers, it is imperative that this area be a clear spanned open space. The project will add 15,000 sq. ft. of building on the north end of the current structure. Unfortunately, with our type of usage, Minnesota 2006 building code only allows 12,000 sq. ft. without fire suppression. We are in process of researching all fire suppression options.

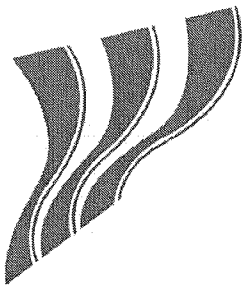
One option, which would be the least complicated and most economical, would be to connect to the city of Willmar's water system. We are aware that city policy does not allow for extending services to non-city entities. However, we would appreciate consideration to an exception to this policy for the following reasons:

- The entire expense of hook up would be incurred by the owner.
- If this project goes forward, there will be additional real estate taxes collected. This revenue will benefit the local county, city, school district and HRA.
- If in the event this property is annexed, this service has been already provided at no city expense.
- With this expansion, our employment will increase.
- For city fire personnel protection and property reasons, the owner will extend the fire suppression system throughout the existing service area.
- We will install a fire hydrant safely assessable for firefighting near our structure.
- It is our hope that this water source will never be needed. It is just for fire protection.

In conclusion, as business owners in Willmar since 1993, we have never requested or received any form of community financial assistance. We pride ourselves on being a quality long-term Willmar employer. (Current employment is 38 local jobs.) Likewise, we continue to invest in our physical presence as can be seen by entering the city on 71 south. As a member of the Willmar business community, we want to add to the business climate and appeal to all visitors.

Once again, thank you for your time and consideration.


John G. Arnold



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Originating Department: Engineering

Action Requested: Approve Plans and Specifications and Call for Bids for Robbins Island-to-Bridge Trail Project

Recommended Action: Approve plans and specifications and call for bids.

Background/Summary: The trail project plans and specifications have been completed and approved by MnDOT.

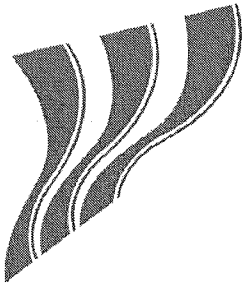
Alternatives: 1. Call for bids
2. Do not call for bids

Financial Considerations: The trail grant is for 75% of the project cost, with a maximum of about \$130,000.00

Preparer: Bruce D. Peterson, AICP

Signature: 

Comments:



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Originating Department: Planning & Development Services

Agenda Item: Parking Issues - Willmar Avenue Businesses/Facilities

Recommended Action:

Background/Summary: Residents on 4th Street SW and 11th Street SE have expressed concern about employee/visitor parking in front of their residences, with the parking demand created by Willmar Avenue businesses/facilities.

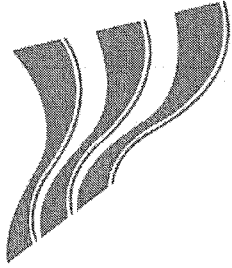
Alternatives: 1. Make no change to on-street parking.
2. Sign the area for no parking.

Financial Considerations: The cost of the signs and labor if Alternative No. 2 is chosen.

Preparer: Bruce D. Peterson

Signature:

Comments:



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Originating Department: Engineering

Action Requested: Approve Plans and Specifications and authorize Engineer to advertise for bids for the 2013 Willmar Avenue Improvements, Project No. 1302-A.

Recommended Action: Approve Plans and Specifications, and authorize advertisement for bids be opened on June 18th.

Background/Summary: The City Council authorized the preparation of plans and specifications for improvements to Willmar Avenue between 22nd Avenue SW and CSAH 5. The improvements consist of a new railroad crossing with improvements to accommodate a Quiet Zone. The project plans and specifications have been completed and approved by MnDOT.

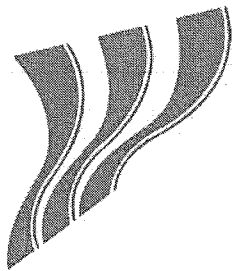
Alternatives: 1. Approve project plans and call for bids
2. Delay the advertisement of the project until a future date

Financial Considerations: The funding associated with the project includes State Aid Funds, Kandiyohi County State Aid Funds, and Local Option Sales Tax Funds.

Preparer: Jared Voge, P.E., Interim City Engineer

Signature:

Comments:



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Originating Department: Engineering

Action Requested: Approve Plans and Specifications, and authorize Engineer to advertise for bids for 4th Avenue SW Improvements, Project No. 1302-B.

Recommended Action: Approve Plans and Specifications and authorize advertisement for bids to be opened on June 18th.

Background/Summary: The City Council authorized the preparation of plans and specifications for the construction of the new street and utilities. As requested by Council, the project includes bid alternates for bituminous and concrete surfacing.

Alternatives: 1. Approve project plans and call for bids
2. Delay the advertisement of the project until a future date

Financial Considerations: The funding associated with the project is from Local Option Sales Tax monies.

Preparer: Jared Voge, P.E., Interim City Engineer

Signature:

Comments: